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FISCAL IMPACT REPORT

ORIGINAL DATE 2/17/2007

SPONSOR Park LAST UPDATED 2/22/2007 HB 501/a HEC

SHORT TITLE Increase School Year Length SB _____

ANALYST Schuss

ESTIMATED ADDITIONAL OPERATING BUDGET IMPACT (dollars in thousands)

	FY07	FY08	FY09	3 Year Total Cost	Recurring or Non- Rec	Fund Affected
Total		\$163,100.0*	\$163,100.0*	\$326,200.0*	Recurring	General Fund

(Parenthesis () Indicate Expenditure Decreases) * These figures represent the impact of the newly amended bill which include transportation and food service costs
 * DFA figures would show an approximate increase of \$182,500.0 per year
 * LESC figures show an increase of \$186,000.0 per year

SOURCES OF INFORMATION

LFC Files

Responses Received From

Public Education Department (PED)
 Department of Finance and Administration (DFA)

SUMMARY

Synopsis of Amendment

The amendment proposed by the House Education Committee changes the initial request of increasing the school year by 30 days to 15 days. This will make the school year 195 days in length.

PED notes the following change in the fiscal implications:

The 2005-2006 statewide school district and charter school expenditures for salaries and fixed costs relating to an instructional day were approximately \$1,957,500,000 based on a minimum school year length of 180 days. Requiring the minimum school year length to be at least 195 full instructional days would require school districts and charter schools to account for 15 extra days in their budget. The potential impact would be approximately 8.33% increase in salaries and fixed costs for the upcoming 2007-2008 fiscal year and subsequent years. The statewide 8.33% increase would require approximately \$163,126,000 in additional funding to school districts and charter schools.

Synopsis of Original Bill

House Bill 501 amends the Public School Finance Act section 22-8-9 NMSA 1978 by increasing the length of school year by 30 days, requiring the school year to be at least 210 days.

FISCAL IMPLICATIONS

PED reports that the 2005-2006 statewide school district and charter school expenditures for salaries and fixed costs relating to an instructional day were approximately \$1,957,500.0 based on a minimum school year length of 180 days. Requiring the minimum school year length to be at least 210 full instructional days would require school districts and charter schools to account for 30 extra days in their budget. The potential impact would be a 17% increase in salaries and fixed costs for the upcoming 2007-2008 fiscal year and subsequent years. The statewide 17% increase would require approximately \$326,250.0 in additional funding to school districts and charter schools.

SIGNIFICANT ISSUES

The following issues are included in the analysis from PED:

- Through the current system, additional dollars needed to support the increased length of the school year would be included in the total statewide funding formula for the upcoming fiscal year beginning July 1, 2007 and subsequent fiscal years.
- There is currently not an appropriation for HB 501.
- With additional instructional days curriculum materials could be covered more comprehensively and there would be a better probability of completing the material for a specific grade level. In the present calendar as much as a week is given to either testing or preparation for testing, and if teachers are provided professional in-service it is usually done during the regular school year necessitating the teachers absence from his/her classroom and instruction relegated to a substitute teacher. If teachers are to be expected to cover all the material required in the various curriculums and additional time provided for professional in-service, then additional days indicated in this bill would provide additional time for curriculum completion and teacher training to be accomplished.

ADMINISTRATIVE IMPLICATIONS

PED administrative complexity would increase. All curricula would have to expand, to take advantage of the extra days of instruction.

BS/mt